

State of Alaska FY2003 Governor's Operating Budget

Department of Transportation/Public Facilities Southeast Region Construction Component Budget Summary

Component: Southeast Region Construction

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Component Mission

The mission of the Construction and CIP Support division is to improve the transportation system in Alaska and protect the health and safety of the people of Alaska by constructing safe, environmentally sound, reliable and cost effective highways, airports, harbors, docks, and buildings.

Component Services Provided

- Provide overall management of the division's activities.
- Administer construction contracts for all modes of transportation and public facilities.
- Provide field inspection and construction oversight.
- Provide quality assurance that construction documentation and materials are in conformance with contract requirements during construction and closeout of projects
- Report on Disadvantaged Business Enterprises/Minority Business Enterprise activity on construction projects.
- Review construction documents.
- Provide bid packages.
- Advertise and award contracts.
- Prepare certified bid tabulations.
- Coordinate, solicit, select, prepare and administer Professional Services Agreements.

Component Goals and Strategies

To improve the transportation system and public facilities in Alaska:

- Advertise, award, and administer construction contracts for roads, airports, ferry terminals, harbors, and facilities
- efficiently and in accordance with department policies and procedures.
- Construct and complete all projects on time and within budget.
- Monitor and forecast expenditures to assure funding is available for timely payment of contract obligations.
- Prepare project documentation and provide construction administration in conformance with all laws, regulations, and requirements to ensure continuing federal funding.
- Construct, renovate, and repair public facilities managed by other state agencies to meet their respective needs and
- objectives.
- Improve ferry terminals and highway links throughout Southeast Alaska as part of the Southeast Alaska
- Transportation Plan.

To protect the health and safety of the people of Alaska:

- Ensure Americans with Disabilities Act (ADA) requirements are incorporated into all projects.
- Identify and correct existing safety related problems on road and facilities projects.
- Establish appropriate "double fine" construction zones and use vehicle speed monitoring equipment for increased
- safety in construction work sites.
- Inform the public of road closures and construction delays by posting the "Southeast Pilot" on the department's web-
- site, and other special construction advisories in newspapers and on radio.

Provide general management and administrative support:

- Provide timely public notice for bidding and contracting opportunities through the use of the department's web-site
- and other formal advertisements.
- Coordinate the consultant selection process to facilitate contracting for design and construction services as quickly
- and cost effectively as possible.
- Advise and train project managers concerning funding requirements and rules to ensure all federal and state financial and project development guidelines are followed.

Key Component Issues for FY2002 – 2003

TEA-21 has increased the level of Federal Highway Administration (FHWA) funds nationwide, creating competition across the country for trained and experienced engineering personnel. The State's engineer salary level has made it difficult to hire and retain experienced personnel, however wages were increased last year for many of our engineers. Although we are still evaluating how effective that wage increase was, we are still having trouble recruiting and retaining journey level engineers.

Increased security measures at airports will involve a more detailed and costly screening process prior to security badges being issued for all personnel that work on the airport. This will involve all state personnel assigned to airport projects, as well as contractors. Construction staff will probably be required to attend a more in depth training process before working in and around the airport. Access to the airport by construction equipment will be restricted to specific secured gates that will need to be manned by state or contractor personnel at all times during the work day. The construction of heated, portable guard stations may be necessary.

The department, jointly with the FHWA and the FAA, created a task force to streamline the closeout process. The task force developed consistency in several aspects of FHWA and FAA closure paperwork, implementing a tracking system and notification system to ensure the priority of closing out projects. The task force eliminated documentation required by the Right of Way section that was redundant. There is an on going commitment to paperwork reduction and improved processes.

Major Component Accomplishments in 2001

- Received nearly \$39 million in federal highway, federal aviation, and general fund construction authorization in FFY 01.
- Completed paving 5 centerline miles of gravel road in Ketchikan and Wrangell. 1.5 centerline miles were then transferred to the local government for maintenance.
- Completed the fourth and final phase of the major realignment and upgrade of the Haines Highway from MP 25 to the Canada Border.
- Completed the state's first major cathodic protection system for a concrete structure (Tongass Avenue Viaducts in Ketchikan).
- Completed major street improvements in Sitka and Wrangell.
- Completed three high profile TRAAK projects (Mendenhall Pedestrian Bridge and Channel Drive Wayside in Juneau, and the Craig School Path).
- Completed the state's first FAA-funded ferry vessel, the MV Oral Freeman to serve the Ketchikan Airport.
- Completed construction of three new state buildings (Public Safety Academy Women's Dormitory in Sitka, the AMHS Reservations building in Juneau, and the Airport Terminal building in Skagway).
- Completed significant upgrades to four public facilities (Court Plaza building in Juneau, the Ketchikan Shipyard, the Sitka Pioneer's Home, and the Mt. Edgecumbe High School Gymnasium).
- Increased quality assurance effectiveness by obtaining materials testing certifications for 16 additional engineers and technicians under the Western Alliance for Quality in Transportation Construction program.
- The region emphasized safety awareness through greater communication with public, through various forms of media (public exhibits, workshops, newspaper advertisements).

Statutory and Regulatory Authority

AS 02 Aeronautics
 AS 08 Business and Professions
 AS 19 Highways and Ferries
 AS 34 Property
 AS 35 Public Buildings, Works
 AS 36 Public Contracts
 AS 44 State Government
 USC CFR 14 Aeronautics
 USC CFR 23 Highways
 USC CFR 41 Contracts

USC CFR 43 Lands
USC CFR 49 Transportation

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Component Financial Summary

All dollars in thousands

	FY2001 Actuals	FY2002 Authorized	FY2003 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	3,960.7	4,051.4	4,316.2
72000 Travel	14.6	13.5	13.5
73000 Contractual	544.8	144.0	144.0
74000 Supplies	165.0	194.0	194.0
75000 Equipment	0.0	0.0	0.0
76000 Land/Buildings	248.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	4,933.1	4,402.9	4,667.7
Funding Sources:			
1004 General Fund Receipts	176.9	178.2	182.7
1007 Inter-Agency Receipts	694.3	0.0	0.0
1061 Capital Improvement Project Receipts	4,061.9	4,224.7	4,485.0
Funding Totals	4,933.1	4,402.9	4,667.7

Estimated Revenue Collections

Description	Master Revenue Account	FY2001 Actuals	FY2002 Authorized	FY2002 Cash Estimate	FY2003 Governor	FY2004 Forecast
Unrestricted Revenues						
None.		0.0	0.0	0.0	0.0	0.0
Unrestricted Total		0.0	0.0	0.0	0.0	0.0
Restricted Revenues						
Interagency Receipts	51015	694.3	0.0	0.0	0.0	0.0
Capital Improvement Project Receipts	51200	4,061.9	4,224.7	4,224.7	4,485.0	4,485.0
Restricted Total		4,756.2	4,224.7	4,224.7	4,485.0	4,485.0
Total Estimated Revenues		4,756.2	4,224.7	4,224.7	4,485.0	4,485.0

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Proposed Changes in Levels of Service for FY2003

Last year the Department received increase federal funding for highways, \$80 million in two special appropriations, and a substantial increase, \$60 million, in the FAA Airport Improvement Program. The high level of federal funding, plus more special appropriations, is expected to continue. Congress may add funds for security purposes and as part of an economic stimulus package. Changes to service levels are driven by congressional appropriations and may require additional resources in order to deliver the projects funded. The department has added additional engineering positions to accomodate recent and anticipated growth in federal programs.

Summary of Component Budget Changes

From FY2002 Authorized to FY2003 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2002 Authorized	178.2	0.0	4,224.7	4,402.9
Adjustments which will continue current level of service:				
-Year 3 Labor Costs - Net Change from FY2002	4.5	0.0	105.3	109.8
Proposed budget increases:				
-Add 2 engineer positions and CIP funds for expanded construction program due to passage of TEA-21	0.0	0.0	155.0	155.0
FY2003 Governor	182.7	0.0	4,485.0	4,667.7

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Personal Services Information

Authorized Positions		Personal Services Costs		
	<u>FY2002</u>	<u>FY2003</u>		
	<u>Authorized</u>	<u>Governor</u>		
Full-time	32	34	Annual Salaries	2,780,105
Part-time	27	27	COLA	89,315
Nonpermanent	0	0	Premium Pay	570,909
			Annual Benefits	1,128,226
			<i>Less 5.52% Vacancy Factor</i>	(252,355)
			Lump Sum Premium Pay	0
Totals	59	61	Total Personal Services	4,316,200

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Tech I	0	0	1	0	1
Administrative Clerk III	0	0	2	0	2
Administrative Manager IV	0	0	1	0	1
Division Director	0	0	1	0	1
Eng Tech Journey	0	0	4	11	15
Eng Tech Sub Journey I	0	0	0	1	1
Eng Tech Sub Journey II	0	0	2	4	6
Eng Tech Sub Journey III	0	0	1	4	5
Engineer/Architect III	0	0	1	0	1
Engineer/Architect IV	0	0	2	0	2
Engineer/Architect V	0	0	1	0	1
Engineering Assistant I	0	0	1	0	1
Engineering Assistant II	0	0	3	2	5
Engineering Assistant III	0	0	7	1	8
Engineering Associate	0	0	8	1	9
Procurement Spec II	0	0	1	0	1
Supply Technician II	0	0	1	0	1
Totals	0	0	37	24	61